



Ontario

Ministry of the  
Attorney  
General

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**Public Trustee**  
**Financial Statements**  
**and**  
**Report on the Audit**  
**Year ended March 31st, 1983**

Ministry of the Attorney General  
Public Trustee Financial  
Statements and Report on the Audit  
Year Ended March 31, 1983

Ministry of the Attorney General  
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Year Ended March 31, 1983

MINISTRY OF  
ATTORNEY GENERAL  
LIBRARY

**THE PUBLIC TRUSTEE OF THE  
PROVINCE OF ONTARIO**

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**Financial Statements and  
Report on the Audit  
Year ended March 31, 1983**

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Ontario

Ministry of the  
Attorney  
General

Office of the  
Public Trustee

416/362-1331

145 Queen Street West  
Toronto, Ontario  
M5H 2N8

### **SIXTY-THIRD ANNUAL REPORT OF THE PUBLIC TRUSTEE 1982-83**

The fiscal year ending March 31, 1983 was one of continuing increase in the number and value of estates administered, income received and profit earned for the Office of the Public Trustee.

In the hope of giving the public an understanding of the duties performed by the Office of the Public Trustee, a modest public relations campaign is being carried out through meetings with social workers, administrators and medical staff of the psychiatric facilities by presentations to mental health organizations and to groups of the legal and medical professions and by articles in newspapers and magazines.

In the charities field, there is still much ambiguity and uncertainty, notwithstanding the repeal of the Mortmain and Charitable Uses Act. In the restricted economy, charitable organizations may, of necessity, have to seek more assistance from volunteers and are encouraged to earn income with a view of being, at least partially, self-sustaining. Unfortunately, those very efforts may bring the charitable organizations into conflict with the enactments with one or other of the levels of government. It would be helpful to all who work in the field if there were some policy guidelines available.

There remains a gap in the law of this Province with respect to the issue of consent to medical treatment and, particularly, elective surgery for patients who, themselves, are incapable of giving an informed consent but who have no spouse, parent, child or other next of kin, who is enabled to give the required consent under existing legislation.

With the employment situation as it is, turnover of staff has diminished which, basically, should be advantageous. Unfortunately, employees who consider their present positions boring or uninteresting and who see little opportunity to advance either in remuneration or challenge, become discontent. As a corollary to this problem we are concerned about the lack of attendance due to alleged illness. More than 50 per cent of our staff have been away more than six days in the year. Frequent absence of some employees puts an unfair workload on those who are punctual and regular in their attendance without any corresponding reward.

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Falling interest rates require careful consideration of the types of investments made and the term of the investment. Opinions of economic advisors differ as to what we can expect in the future. It is essential that the Public Trustee be able to respond quickly to the fluctuating financial pattern so that investments can be made wisely, and at the same time, that the interest paid by the Public Trustee on funds under his control accurately reflects the yield to the Public Trustee.

It is also desirable, in the existing economic climate, that investment expertise be quickly and directly available to the Public Trustee and/or the Advisory Committee to whom the Public Trustee resorts for investment advice.

While the past fiscal year has not been without some difficulties, the financial report reflects the success that we have had in performing our tasks.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'A.J. McComiskey', with a stylized flourish at the end.

A.J. McComiskey  
Public Trustee

THE PUBLIC TRUSTEE OF THE PROVINCE OF ONTARIO

BALANCE SHEET AS AT MARCH 31, 1983

	<u>ASSETS</u>	<u>1983</u>	<u>1982</u>
<b>ESTATES AND TRUSTS</b>			
Cash in bank		\$ 382,513	\$ 58,750
Funds invested (schedule A)		90,015,016	87,945,770
Bonds		104,001,273	85,752,666
Stocks		6,059,134	5,956,273
Mortgages receivable		4,150,829	4,108,571
Real estate		29,907,991	28,611,940
Pensions and life insurance		41,033,492	37,612,713
Miscellaneous		3,438,205	3,015,163
		<u>278,988,453</u>	<u>253,061,846</u>
Deduct mortgages payable		<u>938,814</u>	<u>893,329</u>
		<u>278,049,639</u>	<u>252,168,517</u>
<b>ADMINISTRATION FUND ACCOUNT (note 2)</b>			
Cash in bank		347,317	68,765
Funds invested (schedule A)		24,691,883	19,865,000
		<u>25,039,200</u>	<u>19,933,765</u>
		<u>\$ 303,088,839</u>	<u>\$ 272,102,282</u>

	<u>LIABILITIES</u>		
<b>ESTATES AND TRUSTS</b>			
Patients' estates		\$ 215,679,419	\$ 194,702,482
Crown estates		20,288,947	16,918,983
Deceased persons' estates		5,518,902	5,065,809
Probable escheats		8,069,105	7,743,761
Special trusts and charities		16,582,061	16,280,772
Corporate estates		5,121,762	5,192,858
Crown companies		615,737	583,527
Indian trusts		175,841	185,589
Unclaimed balances		609,479	391,042
Cemetery trusts		5,325,802	5,038,843
Child welfare trusts		62,584	64,851
		<u>278,049,639</u>	<u>252,168,517</u>
<b>ADMINISTRATION FUND ACCOUNT (note 2)</b>			
Current liabilities		446,354	505,698
Assurance fund (note 3)		200,000	200,000
Surplus		24,392,846	19,228,067
		<u>25,039,200</u>	<u>19,933,765</u>
		<u>\$303,088,839</u>	<u>\$272,102,282</u>

See accompanying schedules and notes to financial statements.

THE PUBLIC TRUSTEE OF THE PROVINCE OF ONTARIO

STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 1983

Revenue	<u>1983</u>	<u>1982</u>
Fees collected		
Patients' estates	\$ 4,091,166	\$ 3,251,958
Crown estates	563,880	492,021
Deceased persons' estates	114,733	112,592
Probable escheats	76,044	97,646
Crown companies	13,262	19,368
Special trusts	222,474	162,571
Corporate estates	34,383	14,304
Cemetery trusts	27,877	22,200
Charities	<u>52,402</u>	<u>50,776</u>
	5,196,221	4,223,436
Bank interest	17,057	6,627
Income from funds invested, net (schedule B)	<u>4,969,024</u>	<u>4,926,690</u>
	<u>10,182,302</u>	<u>9,156,753</u>
 Expenditures		
Salaries and wages	3,574,171	3,181,875
Employee benefits	500,598	496,177
Transportation and communication	139,876	104,333
Services	665,457	629,395
Supplies and equipment	137,421	111,090
	<u>5,017,523</u>	<u>4,522,870</u>
 EXCESS OF REVENUE OVER EXPENDITURES	<u>\$ 5,164,779</u>	<u>\$ 4,633,883</u>

STATEMENT OF SURPLUS

YEAR ENDED MARCH 31, 1983

	<u>1983</u>	<u>1982</u>
BALANCE AT BEGINNING OF YEAR	\$ 19,228,067	\$ 14,594,184
Excess of revenue over expenditures	<u>5,164,779</u>	<u>4,633,883</u>
BALANCE AT END OF YEAR	<u>\$ 24,392,846</u>	<u>\$ 19,228,067</u>

See accompanying schedules and notes to financial statements.



THE PUBLIC TRUSTEE OF THE PROVINCE OF ONTARIO

DETAILS OF FUNDS INVESTED

AS AT MARCH 31, 1983

SCHEDULE A

	<u>1983</u>	<u>1982</u>
Bank term deposits	\$ 23,711,067	\$ 16,700,000
Bonds (schedule C)	88,650,940	88,637,762
Accrued interest	2,258,517	2,416,373
Cash in bank	86,375	56,635
	<u>\$ 114,706,899</u>	<u>\$ 107,810,770</u>
Allocated as follows:		
Estates and trusts	\$ 90,015,016	\$ 87,945,770
Administration fund account (note 2)	24,691,883	19,865,000
	<u>\$ 114,706,899</u>	<u>\$ 107,810,770</u>

INCOME FROM FUNDS INVESTED

YEAR ENDED MARCH 31, 1983

SCHEDULE B

	<u>1983</u>	<u>1982</u>
Interest earned on investments	\$ 10,001,612	\$ 10,494,887
Interest earned on bank accounts	235,319	236,326
	10,236,931	10,731,213
Deduct interest allowed	5,267,907	5,804,523
Income from funds invested, net	<u>\$ 4,969,024</u>	<u>\$ 4,926,690</u>

DETAILS OF BONDS

AS AT MARCH 31, 1983

SCHEDULE C

	<u>Par value</u>	<u>Amortized cost</u>
Province of Ontario	\$ 13,450,000	\$ 13,437,515
Ontario Hydro	75,687,000	75,213,425
	<u>\$ 89,137,000</u>	<u>\$ 88,650,940</u>

See accompanying notes to financial statements.



THE PUBLIC TRUSTEE OF THE PROVINCE OF ONTARIO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 1983

1. SUMMARY OF ACCOUNTING POLICIES

(a) Basis of accounting

Fees collected and bank interest are recorded on a cash basis of accounting which, for expenditures, is modified to allow an additional thirty days to pay for goods and services pertaining to the fiscal year just ended. In this regard, payments to employees for the pay period which overlaps the fiscal year end date are apportioned between the two years. Net income from funds invested is recorded on an accrual basis.

(b) Funds invested

Funds are invested in income producing securities which are normally held until their maturity. Such securities are traded only if any resultant loss on sale can be recovered through investment in replacement securities prior to the maturity date of the securities being traded. Accordingly, the securities are recorded at cost adjusted for the amortization of premiums or discounts on purchase.

(c) Stocks and bonds of estates and trusts

Stocks and bonds for all Estates and Trusts, except Cemetery Trusts, are recorded at the value of the stocks and bonds at the time of taking over of the Estates and Trusts. This valuation is determined by the Public Trustee's security department. The bonds of Cemetery Trusts are valued at par.

(d) Real Estate

Real Estate is recorded at appraised value at time of incorporation of the trust and is subject to periodic subsequent adjustments.

(e) Pensions

Pensions are recorded at the estimated annual amount receivable by the trusts.

(f) Life insurance

Life insurance is recorded at its cash surrender value at the time of taking over of the Estates and Trusts.

(g) Fixed assets

Fixed Assets are recorded as expenditures when purchased.

2. ADMINISTRATION FUND ACCOUNT

The Administration Fund is the operating account of the Public Trustee. It is used to accumulate fees charged each estate for services, as prescribed by the regulations under the Public Trustee Act.

Cash balances in the Administration Fund which are not required for operating purposes are invested along with the cash funds of estate and trust accounts. The Administration Fund receives the net interest income of these investment activities, after interest is allowed on the Estate and Trust Funds in accordance with regulations under the Act.

All operating expenses of the office of the Public Trustee are paid from the Administration Fund.

The Lieutenant Governor in Council may from time to time direct the payment into the Province's Consolidated Revenue Fund of any balance at the credit of the Administration Fund. The most recent such direction was made by Order in Council dated September 6, 1972 whereunder \$8,500,000 was paid out of the Administration Fund into the Consolidated Revenue Fund of the Province.

3. ASSURANCE FUND

The regulations under the Act provide that an Assurance Fund be established to meet losses for which the office of the Public Trustee might become liable. At the direction of the Advisory Committee, transfers from the Administration Fund in the amounts of \$25,000 and \$175,000 were made in September 1942 and March 1957, respectively. A resolution of the Advisory Committee on September 25, 1974 recommended the continuance of this Fund in the amount of \$200,000.



Office of the  
Provincial  
Auditor

Parliament Buildings  
Queen's Park  
Toronto, Ontario  
M7A 1A2  
416/965-1381

To the Public Trustee of the Province of Ontario and to the Attorney General

I have examined the balance sheet of the Public Trustee of the Province of Ontario as at March 31, 1983 and the statements of revenue and expenditures and surplus for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Public Trustee of the Province of Ontario as at March 31, 1983 and the results of operations for the year then ended in accordance with the accounting policies described in note 1 to the financial statements, applied on a basis consistent with that of the preceding year.

A report on the audit has been made to the Public Trustee and to the Attorney General.

Toronto, Ontario,  
May 6, 1983

D.F. Archer, F.C.A.,  
Provincial Auditor.

STATISTICAL REVIEW

	<u>As at March 31st</u>	
	<u>1983</u>	<u>1982</u>
Assets under Administration	\$ 303,088,839	\$ 272,102,282
Revenue	10,182,302	9,156,753
Operating Expenses	5,017,523	4,522,870
Excess of Revenue over Expenditure	5,164,779	4,633,883
Surplus	24,392,846	19,228,067
Cash Receipts	98,261,526	82,636,399
Public Trustee Investments at Book Value	112,362,007	105,337,762
No. of Files — Estates and Trusts	23,952	26,267
No. of Files — Charities	36,192	34,126
No. of Staff — Permanent	153	151
Contract	1	1

## STATUTES AFFECTING THE PUBLIC TRUSTEE

### Ontario

Absentees Act — R.S.O. 1980, c.3  
Business Corporations Act — R.S.O. 1980, c.54  
Cemeteries Act — R.S.O. 1980, c.59  
Charitable Gift Acts — R.S.O. 1980, c.63  
Charities Accounting Act — R.S.O. 1980, c.65  
Child Welfare Act — R.S.O. 1980, c.66  
Compensation for Victims of Crime Act — R.S.O. 1980, c.82  
Corporations Act — R.S.O. 1980, c.95  
Crown Administration of Estates Act — R.S.O. 1980, c.105  
Developmental Services Act — R.S.O. 1980, c.118  
Escheats Act — R.S.O. 1980, c.142  
Estates Administration Act — R.S.O. 1980, c.143  
Family Benefits Act — R.S.O. 1980, c.151  
Family Law Reform Act — R.S.O. 1980, c.152  
Homes for Special Care Act — R.S.O. 1980, c.202  
Judicature Act — R.S.O. 1980, c.223 and Consolidated Rules of Practice  
Mental Health Act — R.S.O. 1980, c.262  
Mental Hospitals Act — R.S.O. 1980, c.263  
Mental Incompetency Act — R.S.O. 1980, c.264  
Mortmain and Charitable Uses Act — R.S.O. 1980, c.267 -Repealed by 1982, c.12,S.1 (1) (June 15, 1982)  
Municipal Affairs Act — R.S.O. 1980, c.303  
Powers of Attorney Act — R.S.O. 1980, c.386  
Public Trustee Act — R.S.O. 1980, c.422  
Succession Law Reform Act — R.S.O. 1980, c.488  
Surrogate Courts Act — R.S.O. 1980, c.491  
Trustee Act — R.S.O. 1980, c.512  
Workmen's Compensation Act — R.S.O. 1980, c.539

### BY CONSENT WE ACCEPT TRUSTS FROM FEDERAL AUTHORITIES

Under: 1. Department of Veterans Affairs Act - R.S.O. 1970, c.V-1  
2. Indian Act - R.S.O. 1970, c.1-6, as amended

# ORGANIZATION CHART -- OFFICE OF THE PUBLIC TRUSTEE









